

CREDIT OPINION

12 August 2021

Update

✓ Rate this Research

RATINGS

RCI Banque

Domicile	Paris, France
Long Term CRR	Baa1
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Baa2
Type	Senior Unsecured - Fgn Curr
Outlook	Negative
Long Term Deposit	Baa2
Type	LT Bank Deposits - Fgn Curr
Outlook	Negative

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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RCI Banque

Update to credit analysis

Summary

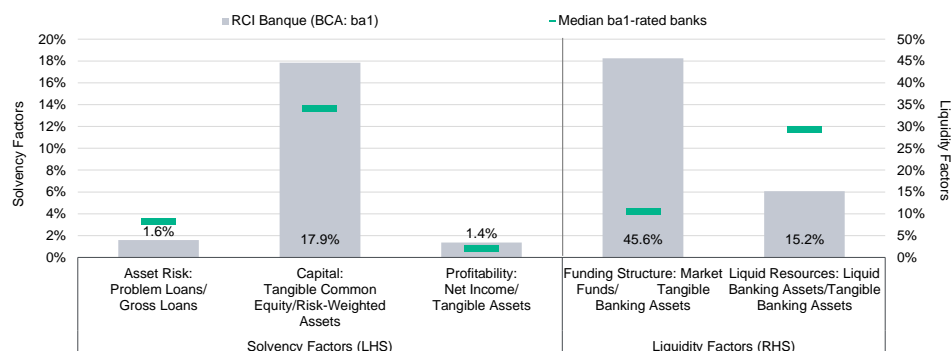
[RCI Banque](#) (RCI)'s long-term deposit and senior unsecured debt ratings are Baa2, with a negative outlook. The bank's Baseline Credit Assessment (BCA) and Adjusted BCA are ba1.

We believe that RCI is key to its parent's ([Renault S.A](#), Ba2 Negative) business model. As such, RCI's BCA is unlikely to exceed Renault's rating by more than one notch, as is the case for most other rated auto captives. The negative outlook on RCI is based on the negative outlook on Renault, reflecting our view that the manufacturer's rating is likely to be under pressure for a prolonged period until the benefits of the [new strategy announced on 14 January 2021](#) become clearly visible.

RCI's long-term deposit and senior unsecured debt as well as its subordinated debt ratings reflect the bank's BCA and Adjusted BCA of ba1 and the application of our Advanced Loss Given Failure (LGF) analysis to its liabilities. The long-term deposit and senior unsecured debt benefit from two notches of LGF uplift stemming from a large volume of senior long-term debt, which results in a very low expected loss rate on these instruments.

Exhibit 1

Rating scorecard- Key financial ratios



Source: Moody's Financial Metrics

Credit strengths

- » RCI is essential to its parent's strategy.
- » The bank's asset risk is moderate.
- » Capitalisation is commensurate with the bank's risk profile.
- » RCI has maintained strong profitability through the credit cycle.
- » The bank has limited refinancing risk, an increasing deposit base and an adequate liquidity buffer

Credit challenges

- » RCI's risk profile remains high mainly because of its captive status and lack of business diversification.
- » The car market is cyclical.
- » The bank has some credit concentration vis-à-vis car dealers.
- » RCI's asset quality and profitability are affected by the coronavirus crisis.
- » The bank relies on wholesale funding to a significant degree.

Outlook

The negative outlook on RCI's long-term deposit and senior unsecured debt ratings reflects the negative outlook on Renault's ratings. The negative rating outlook on Renaults reflects the severe impact that the pandemic will have on Renault's operating performance and creditmetrics over the next 12-18 months as it implements its restructuring plan and attempts to restore its competitive position.

Factors that could lead to an upgrade

- » An upgrade of RCI's BCA, and hence of its long-term ratings, are currently very unlikely given the negative outlook assigned to Renault.

Factors that could lead to a downgrade

- » Owing to the intrinsic interlinkages between the captive and its automotive parent, RCI's ratings are highly dependent on the creditworthiness of Renault. Therefore, a downgrade of Renault would likely result in a similar action on RCI's ratings. A downgrade of RCI's ratings could also result from a substantial deterioration in the bank's asset quality, capital, profitability or liquidity.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

RCI Banque (Consolidated Financials) [1]

	12-20 ²	12-19 ²	12-18 ²	12-17 ²	12-16 ²	CAGR/Avg. ³
Total Assets (EUR Million)	58,886.0	58,080.0	53,394.0	49,709.0	43,320.0	8.0 ⁴
Total Assets (USD Million)	72,050.3	65,194.7	61,037.1	59,690.4	45,691.9	12.1 ⁴
Tangible Common Equity (EUR Million)	6,194.0	5,599.0	5,192.0	4,615.0	3,976.0	11.7 ⁴
Tangible Common Equity (USD Million)	7,578.7	6,284.9	5,935.2	5,541.7	4,193.7	15.9 ⁴
Problem Loans / Gross Loans (%)	1.6	1.3	1.3	1.3	1.5	1.4 ⁵
Tangible Common Equity / Risk Weighted Assets (%)	17.8	16.0	16.3	15.6	16.1	16.4 ⁶
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	10.6	10.4	10.4	10.8	12.8	11.0 ⁵
Net Interest Margin (%)	2.2	2.6	2.7	2.7	2.7	2.6 ⁵
PPI / Average RWA (%)	3.9	4.5	4.4	4.1	4.4	4.2 ⁶
Net Income / Tangible Assets (%)	1.4	1.6	1.7	1.5	1.4	1.5 ⁵
Cost / Income Ratio (%)	30.7	28.8	29.8	32.0	31.4	30.5 ⁵
Market Funds / Tangible Banking Assets (%)	45.6	51.5	54.0	53.4	54.5	51.8 ⁵
Liquid Banking Assets / Tangible Banking Assets (%)	15.2	6.7	7.0	7.5	7.0	8.7 ⁵
Gross Loans / Due to Customers (%)	226.2	283.2	288.2	283.5	296.3	275.5 ⁵

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Investors Service and company filings

Profile

RCI Banque (RCI) adopted its current name in 2002. Previously named Renault Crédit International, RCI became the sole shareholder of Diac SA (founded in 1924) and obtained its banking licence in 1991.

RCI is a captive finance company and a wholly owned subsidiary of the French auto manufacturer Renault. The bank provides sales financing for Renault Group's brands (Renault, Dacia, Alpine, Renault Samsung Motors and Lada) worldwide and for Nissan Group's brands (Nissan, Infiniti, Datsun) mainly in Europe and South America. In the Netherlands, the bank operates through Mitsubishi Motors. It also operates through joint ventures in Russia and India. As of December 2020, the bank operated in 36 countries, divided into four major world regions: Europe, the Americas, Africa-Middle-East-India and Pacific, and Eurasia.

On 14 January, Renault S.A. presented its new strategic plan "Renaulution", which includes detailed measures to reduce fixed costs by €2.5 billion by 2023 and by €3 billion by 2025, variable production cost by €600 per vehicle by 2023, and investments in research and development (R&D) to below 8% of revenue by 2025 from about 10% currently. Renault aims to build on its alliances with Nissan Motor Co., Ltd. (Nissan, Baa3 negative) and Mitsubishi, and optimize the group structure via four differentiated business units. The strategy also prioritizes margins over volume, including an optimized global footprint (Renault generates 75% of profits in 30 European countries, and only 25% of profits in more than 100 countries outside Europe). Additionally, the plan includes a clear focus on future technologies, including more emphasis on electrified vehicles, as well as new mobility services and data monetization.

RCI's financing penetration rate was 44.3% at end-June 2021,¹ while its consolidated balance sheet size was €56.8 billion at the same date.

Because RCI is chartered as a bank, it has to comply with all the European regulations (Capital Requirements Directive (CRD5), Capital Requirements Regulation (CRR2), Bank Recovery and Resolution Directive (BRRD2), among others. The bank has been supervised by the European Central Bank since January 2016 because it is considered a "Significant Institution", given the size of its balance sheet. In February 2016, RCI adopted a new commercial name, RCI Bank and Services.

Detailed credit considerations

RCI is a key vehicle for the strategy of its industrial parent, Renault

RCI is a wholly owned captive finance company that supports the sales of the Renault/Nissan Alliance by offering auto loans to customers (both individuals and corporates) and loans to dealers to help them finance their inventories and activities. RCI also offers

related services such as maintenance, insurance and roadside assistance. Lastly, the bank collects deposits through online savings accounts in France, Germany, Austria, the UK and Brazil to diversify its funding base.

Loans to retail customers and corporate clients excluding dealers (€39 billion as of the end of June 2021) can also take the form of long-term leases. Leases are almost exclusively finance leases (€14.1 billion) and, to a much lesser extent, operating leases (€1.4 billion net of depreciation and impairments).

Ancillary products and services, such as insurance, warranty extensions and maintenance contracts, have been developed over the years to improve customer loyalty and boost profitability. While these services are an integral part of RCI's financing and mobility offering, we believe they do not enhance the bank's diversification, which remains mainly focused on existing customers of the Renault/Nissan Alliance car brands.

Asset risks are moderate but cost of risk have materially increased because of the coronavirus crisis

In normal circumstances, we consider that asset risks at RCI are moderate because of the collateralised nature of its exposures and the granularity of a very large portion of the portfolio. However, credit risk concentration in car dealers is high and represented around 18% of the bank's loan book as of the end of June 2021. Although we recognise that this portfolio has performed well in the past, we believe these exposures constitute a quasi-single risk, given the degree of correlation among car dealers' performance, particularly during a downturn.

As of the end of December 2020, RCI's nonperforming loan ratio in the customer loan book was 1.8% (1.5% as of the end of 2019), while the ratio in the dealer loan book was 0.7% (0.6% as of the end of 2019). The portfolio was well provisioned, with IFRS9 Stage 3 loan-loss reserves accounting for 67% of problem loans in the customer loan book and 51% in the dealer loan book. Between 2015 and 2019, asset performance has been stable with an annual cost of risk of less than 40 basis points (bps) of average outstanding loans. However, in 2020 cost of risk increased to 75 bps versus 37 bps in 2019², due to an increase in provisions for impairment driven by the coronavirus crisis (+€245 million when compared to 2019³). In the first half of 2021, the trend was nonetheless reversed, with a cost of risk amounting to 16 bps, compared to 99 bps in the first half of 2020. The cost of risk in the customer segment improved significantly to 32 bps compared to 115 bps a year before, due to a reversal of provisions following higher collections compared to H1 2020 which had been materially impacted by lockdown measures. In the dealership network segment, cost of risk was an income in the first half of 2021, corresponding to 56 bps of Average Managed Assets, compared to a 38 bps charge during the same period a year before. The improvement was driven by the strong decrease of the stock of performing assets in this segment (-18%), as well as the IFRS 9 forward-looking provisions (Stage 1 and Stage 2), which resulted in a release in provision worth €9 million, compared to a provision of €20 million the year before.

Despite the fact that in most of the countries where RCI operates, default probabilities are back to pre-coronavirus levels, there are still active or recently expired moratoria which could still lead to downside risk on the portfolio.

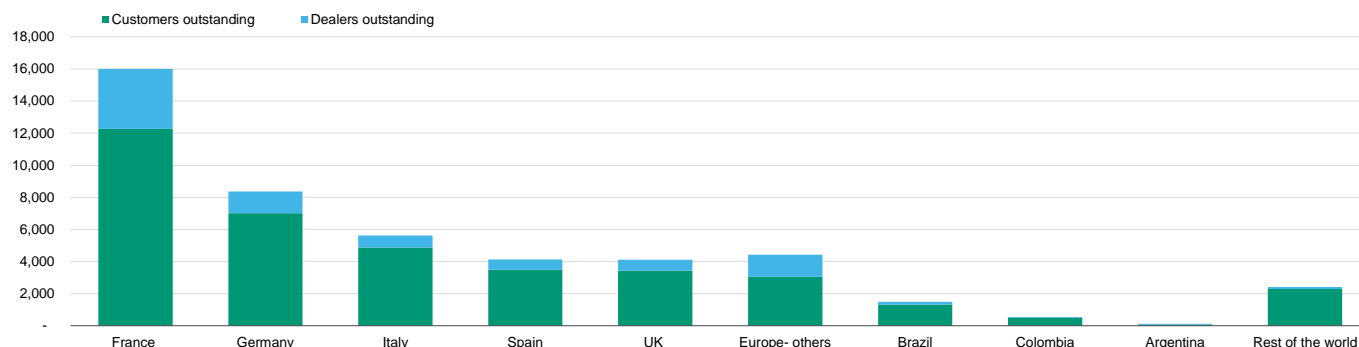
Given that the bulk of the residual value risk on lease operations is borne by its parent company, the residual value risk of RCI itself was limited to €1.8 billion as of the end of 2020 (€1.9 billion as of the end of 2019), essentially stemming from its leasing business in the UK.

All these factors are reflected in our assigned score of baa1 for asset quality.

Exhibit 3

Loan book mix in 2020

End-user customers and car dealers (€ million)



Source: RCI Banque's Investor presentation

Capitalisation is commensurate with the bank's risk profile

RCI reported a fully loaded Common Equity Tier 1 (CET1) capital ratio of 17% as of the end of June 2021, down from 17.3% as of the end of 2020, driven by the increase in risk weights according to CRR2 standards, and the lower CET1 capital since expected losses are greater than accounting provisions, leading to the deduction of the shortfall. The bank's CET1 ratio was well above the minimum regulatory requirement of 10.02%⁴. We believe the bank's economic solvency is adequate, given its risk profile.

While the bank's capital ratio could further decline because of our expectation that RCI will resume dividend payment in the coming months, we expect the capital level of the bank to remain consistent with our assigned Capital score of a2.

RCI has maintained strong profitability despite the cyclical nature of the car market, but profits are affected by the coronavirus crisis

RCI has consistently generated a comfortable net banking income exceeding 4% of average performing assets over the last five years (4.2% in the first half of 2021, stable compared to 2020). The resilience of the bank's net interest income, representing around 66% of its net banking income, stems from its profitable car-financing activities including packaged products such as leasing associated with ancillary services, which are less price sensitive than plain vanilla loans and contained funding costs. The relatively long-term tenure of the car-financing contracts mitigates to some extent the effects of the car market cycles and reduces income volatility.

The bank also has good cost efficiency because of its low fixed costs, which accounted for around 1.35% of its average performing assets and resulted in a cost-to-income ratio of around 33% in the first half of 2021. This high cost efficiency reflects the fact that the bank benefits from various services provided by Renault and the network of car dealers (for example, distribution channels), as well as from the group's marketing initiatives.

In the first half of 2021, RCI's net banking income amounted to €940 million, down 7% compared with the first semester of 2020, due to the decrease of 5.5% of the average interest bearing assets while operating expenses remained relatively stable at €309 million⁵. The bank's cost of risk sharply decreased to €36 million from €236 million a year before. As a result the bank's net income was up to €451 from €390 million in the first half of 2020.

One of RCI's main features is the lack of business diversification because it is a captive specialised institution. In the first half of 2021, commercial activity continued to be negatively impacted by the pandemic. Semiconductor shortage as well as the new optimization policy for vehicle inventories in the dealer network, led to a decrease in dealer financing outstanding. At the end of June 2021, net outstandings amounted to €45 billion, down from €45.8 billion at the end of 2020. While we expect the decline in the portfolio to drive a decrease in revenues in full-year 2021, this will be to a large extent offset by lower cost of risk and a stable cost base. Such factors are reflected in our assigned profitability score of baa1.

RCI relies on wholesale funding, a credit weakness, partly mitigated by its limited refinancing risk, increasing deposit base and adequate liquidity buffer

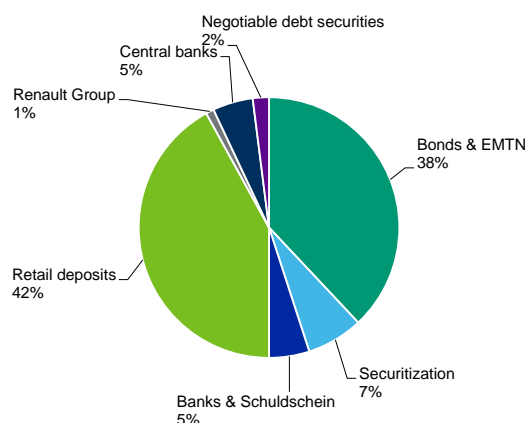
Wholesale funding represented around 60% of the bank's total funding as the end of June 2021. While the share of wholesale funding has materially reduced since RCI started collecting internet deposits from retail customers in 2012 (currently accounting for around one-third of outstanding loans), we still consider that RCI is vulnerable to sudden changes in investor confidence. Restricted market access could lead to higher funding costs, which would constrain loan origination. This would harm RCI's franchise and ultimately reduce its earnings, particularly if funding constraints were to coincide with higher loan impairments. Our assigned Combined Liquidity score of b1 reflects this relative weakness.

RCI's reliance on wholesale funding is however mitigated by its efforts to finance its loan book with longer-term liabilities, resulting in little refinancing risk. The bank also has a comfortable liquidity buffer of €16 billion as of the end of June 2021 to bridge any mismatches or temporary market access restrictions. This buffer was 44% composed of high-quality liquid assets (HQLA) and 27% of ECB eligible assets. The bank receives very limited funding from Renault. RCI claims that it would be able to maintain its commercial business activity during 12 months while preserving a 100% liquidity coverage ratio in a stressed liquidity scenario that would deprive it of access to capital markets.

The bank has been able to issue debt of various maturities and in different currencies in the markets in the past couple of years. We also acknowledge the geographical diversification of the resources and investors. The bank still has a sizeable pool of assets that could be securitised and used for central bank refinancing in a stress scenario.

Exhibit 4

Funding sources as a percentage of total funding as of the end of 2020



Source: RCI Banque's investor presentation

Environmental, social and governance considerations

In line with our general view on the banking sector, RCI has a moderate exposure to social risks, notwithstanding the aforementioned litigation in Italy. Further, we regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety.

Although banks generally have a low exposure to environmental risk, as explained in our [Environmental risk heat map](#), certain banks could, however, face a higher risk from concentrated lending to individual sectors or operations concentrated in disaster-prone areas or more generally to environmental risks. This is the case for RCI because of its function as a captive bank of Renault, which like all car manufacturers, has an elevated exposure to environmental risk (see also our [Environmental risks heat map](#) for further information). RCI's environmental strategy is integrated with that of its parent company. Renault plans to achieve the stricter regulations on CO2

emissions through an increased share of battery-powered electric vehicles, plug-in hybrid electric vehicles, vehicle optimisations and electrification of internal combustion engines.

Governance is highly relevant for RCI, as it is to all entities in the banking industry. Corporate governance weaknesses can lead to a deterioration in a company's credit quality, while governance strengths can benefit its credit profile. Governance risks are largely internal rather than externally driven, and for RCI, we do not have any particular governance concern. The bank's risk governance infrastructure is adequate and has not shown any major shortfall in recent years. Nonetheless, corporate governance remains a key credit consideration and requires ongoing monitoring.

Support and structural considerations

Affiliate support

We believe RCI benefits from a high probability of support from its parent, Renault. This view is underpinned by the bank's strategic importance to the car manufacturer. The bank is a wholly owned subsidiary of Renault and is fully integrated into its strategy. The bank finances around 40% of the new vehicles registered by Renault Group's brands, which highlights the critical importance of a financial captive as a means to facilitating car sales. The bank also plays a critical role for Renault through the financing of its dealer network.

To date, RCI's ratings have not benefited from any affiliate support uplift from Renault because Renault's rating (Ba2 negative) is lower than the bank's ba1 BCA.

Loss Given Failure (LGF) analysis

Our Advanced LGF analysis applies to RCI, given that the bank is subject to an operational resolution regime under the Bank Recovery and Resolution Directive (BRRD), which was transposed into French law on 20 August 2015.

In accordance with our methodology, we apply our LGF analysis, taking into consideration the risks faced by the different debt and deposit classes across the liability structure should the bank be put in resolution. We assume a residual tangible common equity of 3% and post-failure losses of 8% of tangible banking assets, a 25% runoff in junior deposits and a 5% runoff in preferred deposits, and assign a 25% probability to deposits being preferred to senior unsecured debt. These are in line with our standard assumptions.

In addition, we apply a proportion of 10% of deposits considered junior, given that the deposit base is predominantly comprised of online retail deposits.

Under these assumptions, RCI's deposits and senior unsecured debt are likely to face a very low Loss Given Failure because of the loss absorption provided by the large amount of senior unsecured debt. This results in a two-notch LGF uplift from the adjusted BCA of ba1 for both deposits and senior unsecured debt (Baa2).

Government support

We expect a low probability of government support for debt and deposits, resulting in no uplift for both the long-term deposits and senior unsecured debt issued by the bank.

Counterparty Risk (CR) Assessment

RCI's CR Assessment is Baa1(cr)/Prime-2(cr)

The CR Assessment, before government support, is positioned three notches above the Adjusted BCA of ba1, based on the buffer against default provided to the senior obligations represented by the CR Assessment by subordinated instruments, amounting to 39% of tangible banking assets. The main difference with our Advanced LGF approach used to determine instrument ratings is that the CR Assessment captures the probability of default on certain senior obligations, rather than the expected loss; therefore, we focus purely on subordination and take no account of the volume of the instrument class.

Counterparty Risk Ratings (CRRs)

RCI's CRRs are Baa1/Prime-2

The CRRs for RCI, before government support, are positioned three notches higher than the Adjusted BCA of ba1, based on the level of subordination to CRR liabilities in the bank's balance sheet, and assuming a nominal volume of such liabilities.

Rating methodology and scorecard factors

Exhibit 5

RCI Banque

Macro Factors							
Weighted Macro Profile		Strong	100%				
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	1.6%	a2	↔	baa1	Sector concentration	Long-run loss performance	
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	17.8%	aa3	↔	a2	Risk-weighted capitalisation		
Profitability							
Net Income / Tangible Assets	1.4%	a3	↔	baa1	Earnings quality	Return on assets	
Combined Solvency Score		a1		a3			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	45.6%	b1	↔	b2	Extent of market funding reliance	Term structure	
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	15.2%	baa3	↔	ba2	Access to committed facilities		
Combined Liquidity Score		ba2		b1			
Financial Profile				baa2			
Qualitative Adjustments				Adjustment			
Business Diversification				-1			
Opacity and Complexity				0			
Corporate Behavior				0			
Total Qualitative Adjustments				-1			
Sovereign or Affiliate constraint				-			
BCA Scorecard-indicated Outcome - Range				baa3 - ba2			
Assigned BCA				ba1			
Affiliate Support notching				-			
Adjusted BCA				ba1			
Balance Sheet		in-scope (EUR Million)	% in-scope	at-failure (EUR Million)	% at-failure		
Other liabilities		13,454	25.1%	15,025	28.0%		
Deposits		22,445	41.8%	20,874	38.9%		
Preferred deposits		20,201	37.6%	19,190	35.7%		
Junior deposits		2,245	4.2%	1,683	3.1%		
Senior unsecured bank debt		15,309	28.5%	15,309	28.5%		
Dated subordinated bank debt		850	1.6%	850	1.6%		
Junior subordinated bank debt		14	0.0%	14	0.0%		
Equity		1,610	3.0%	1,610	3.0%		
Total Tangible Banking Assets		53,682	100.0%	53,682	100.0%		

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	36.3%	36.3%	36.3%	36.3%	3	3	3	3	0	baa1
Counterparty Risk Assessment	36.3%	36.3%	36.3%	36.3%	3	3	3	3	0	baa1 (cr)
Deposits	36.3%	4.6%	36.3%	33.1%	2	3	2	2	0	baa2
Senior unsecured bank debt	36.3%	4.6%	33.1%	4.6%	2	2	2	2	0	baa2
Dated subordinated bank debt	4.6%	3.0%	4.6%	3.0%	-1	-1	-1	-1	0	ba2

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	baa1	0	Baa1	Baa1
Counterparty Risk Assessment	3	0	baa1 (cr)	0	Baa1(cr)	
Deposits	2	0	baa2	0	Baa2	Baa2
Senior unsecured bank debt	2	0	baa2	0	Baa2	Baa2
Dated subordinated bank debt	-1	0	ba2	0	Ba2	

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Investors Service

Ratings

Exhibit 6

Category	Moody's Rating
RCI BANQUE	
Outlook	Negative
Counterparty Risk Rating	Baa1/P-2
Bank Deposits	Baa2/P-2
Baseline Credit Assessment	ba1
Adjusted Baseline Credit Assessment	ba1
Counterparty Risk Assessment	Baa1(cr)/P-2(cr)
Senior Unsecured	Baa2
Subordinate -Dom Curr	Ba2
Commercial Paper	P-2
Other Short Term -Dom Curr	(P)P-2
PARENT: RENAULT S.A.	
Outlook	Negative
Corporate Family Rating	Ba2
Senior Unsecured -Dom Curr	Ba2
Commercial Paper -Dom Curr	NP
Other Short Term -Dom Curr	(P)NP
BANCO RCI BRASIL S.A.	
Outlook	Stable
Counterparty Risk Rating	Ba1/NP
Bank Deposits	Ba2/NP
Baseline Credit Assessment	ba3
Adjusted Baseline Credit Assessment	ba2
Counterparty Risk Assessment	Ba1(cr)/NP(cr)
RCI BANQUE SUCURSAL ARGENTINA	
Outlook	Negative
Issuer Rating -Dom Curr	Caa1

Source: Moody's Investors Service

Endnotes

- 1 The penetration rate represents the percentage of cars sold by Renault for which RCI Banque provided financing to the client.
- 2 Cost of risk in the retail customer loan book was 89 bps versus 47 bps in 2019. In the dealer loan book, the cost of risk stood at 19 bps versus negative 9 bps in 2019
- 3 Out of which €60 million resulting from increased provisioning on exposures on Corporates on an individual basis. The update of forward-looking scenarios - as per IFRS9 accounting standard- resulted in an additional €86 million provisioning. Finally, €67 million were linked to an increase in NPL (1.5% as of the end of December 2020 from 1.3% in 2019r) with stable coverage ratio
- 4 This is composed of 4.5% of Pillar 1 requirement, 1.125% of Pillar 2 requirement, a capital conservation buffer of 2.5% and 0.01% of countercyclical capital buffer. It also includes AT1 and T2 shortfalls of 1.88% and 0.01% respectively
- 5 Including depreciation and impairment losses on tangible and intangible assets

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